



**A non-profit organisation supporting students to achieve their best.**

# Unit 3 Business Management

## Practice Exam Question and Answer Booklet

Duration: 15 minutes reading time, 2 hours writing time

Structure of book:

| Number of questions | Number of questions to be answered | Number of marks |
|---------------------|------------------------------------|-----------------|
| 6                   | 6                                  | 65              |

- Students are permitted to bring into the examination room: pens, pencils, highlighters, erasers and rulers.
- Students are not permitted to bring into the examination room: blank sheets of paper and/or white out liquid/tape.
- No calculator is allowed in this examination.

Materials supplied:

- This question and answer booklet of 12 pages.

Instructions:

- You must complete all questions of the examination.
- Write all your answers in the spaces provided in this booklet.

## Instructions

Answer **all** questions in the spaces provided.

## Questions

### Question 1

Speedy Delivery is a global transport corporation which delivers parcels, documents and freight items by truck and plane.

- a. Define operations.

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1 mark

- b. From the information provided, identify why Speedy Delivery would be considered a large-scale organisation.

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1 mark

- c. According to the operations management function, explain why Speedy Delivery is a service organisation. In your answer, refer to **two** characteristics, and then compare this to a manufacturing organisation.

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4 marks

- d. Define the term “Key Performance Indicators” and explain how **two** such indicators could be applied to Speedy Delivery.

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4 marks

**Question 2**

Luke is the owner of 'Pure', a recently established organisation specialising in bottled water. Luke wishes to introduce new marketing strategies and expand his product range to flavoured bottled water.

- a. Describe **two** elements in the internal environment and **two** elements in the external environment that may require ethical and socially responsible management.

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4 marks

- b. Identify and explain a relevant operations management strategy Luke could use to optimise the quality of his outputs.

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4 marks

- c. Describe an appropriate management structure Luke could use in coordinating the work activities of his organisation.

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2 marks

### Question 3

Sam applied for a position at Gym4Life after hearing about its reputation as a learning organisation. Upon induction, Sam was disappointed with the little amount of training and responsibilities he received, and found that his feedback was not appreciated.

- a. Define corporate culture and then identify the official corporate culture **and** the real corporate culture of Gym4Life.

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3 marks

- b. Identify and describe **three** management skills that the manager of Gym4Life could use to create a stimulating environment for their employees and cultivate the desired learning culture.

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6 marks

**Question 4**

'Going Green' is an organisation that produces stationery made from recycled materials. All profits of the organisation are donated to projects that preserve the natural environment. 'Going Green' has recently released a series of television advertisements promoting their products and the organisation.

- a. Identify what type of large scale organisation 'Going Green' is and justify your decision.

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2 marks

- b. In relation to the main objectives of a large scale organisation such as 'Going Green', explain the purpose of the television advertisements.

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2 marks

### Question 5

A transnational manufacturing corporation has established a factory in a remote location in Australia with the objective of producing products for export. It relies on imported material from China for its operations. Management has decided to improve productivity by introducing new process technology. As a result, the organisation has had to downsize the number of employees.

- a. Identify **two** positive and **two** negative contributions this large scale organisation has made to the Australian economy, providing examples from the information provided.

[illegible]

8 marks

- b. Describe **two** process technologies that could be used to optimise operations.

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4 marks

### Question 6

Susan is the new manager of the hardware store Spanner-Works, which is experiencing a decreasing number of sales. She conducted a staff satisfaction survey and found that employees are generally displeased with their work situation and do not feel a part of the organisation.

- a. Describe an appropriate management style that Susan could use in this situation referring to **two** features of this style in your explanation. Then compare this with another management style and justify why your choice would better assist Susan.

[illegible]

5 marks

- b. Susan has decided to focus on the management role of leading in implementing the new management style. Define this role and discuss **two** leadership qualities needed by Susan under this management role to deal with these changes.

[illegible]

5 marks

- c. Susan has decided to introduce a new policy to increase productivity through the use of new technology. Define the term “policy” and explain the steps Susan would need to take in order to successfully introduce the new policy.

[illegible]

[illegible]

10 marks

End of Booklet